



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

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Janet Napolitano
Governor

Tracy L. Wareing
Director

January 8, 2007

WIA GUIDANCE LETTER # 21-06

**SUBJECT: PY 05 CORRECTIVE ACTION / TECHNICAL ASSISTANCE POLICY – LOCAL
WORKFORCE INVESTMENT AREA (LWIA) FAILURE TO MEET PERFORMANCE LEVELS**

REFERENCE: P.L. 105-220 Workforce Investment Act (WIA) of 1998, Section 136(h)(1)(2); 20 CFR Part 652 Subpart D 666.420; U.S. Department of Labor (USDOL) Training and Employment Guidance Letter (TEGL) No. 8-99 and 19-02

BACKGROUND: One of the seven key principles upon which the WIA was enacted is “increased accountability.” This relates to the commitment by the State and Local Workforce Investment Boards (LWIBs) to continuously strive towards improving the quality of Arizona’s workforce through increased employment, credentials, retention, and earnings for WIA participants. Consistent with this commitment, the Act authorizes incentive funds for LWIAs that exceed negotiated performance levels. Conversely, the Act calls for corrective actions to be taken whenever performance falls below negotiated levels.

This guidance letter provides the specifics of the corrective action process intended to give LWIBs and the State a way to identify and address programmatic issues that adversely impact provision of services to WIA customers resulting in lower performance. **Under this policy, LWIBs are required to submit to the Employment Administration/WIA Section a corrective action plan to address each core performance measure for the LWIA’s annual performance that falls below 80% of the level negotiated with the State.**

ACTION REQUIRED: WIA Program Directors must distribute this guidance letter and attachments to staff responsible for oversight of WIA performance. Those LWIAs who failed to meet performance for PY 05 must submit a Corrective Action/Technical Assistance plan by February 5, 2007. The assigned Field Operations Liaison will be contacting each LWIA to follow up with development of plans and requests for assistance.

Please contact Mimi Hurtado, Field Operations Manager at (602) 542-3957 or email MimiHurtado@azdes.gov for additional information.

This policy is subject to change. All WIA Guidance Letters are posted on the WIA website at <http://www.azdes.gov/wia>.

Sincerely,

Lela Alston
WIA Section Manager
Employment Administration

Attachments: LWIA PY 05 Performance Chart
Corrective Action/Technical Assistance Guidelines

**STATE OF ARIZONA
LOCAL WORKFORCE INVESTMENT AREA (LWIA)
CORRECTIVE ACTION/TECHNICAL ASSISTANCE PLAN
FOR FAILURE TO MEET NEGOTIATED PERFORMANCE LEVELS**

Reference Workforce Guidance Letter #21-06

DEFINITIONS

For purposes of this plan, the following definitions shall apply to each of the fifteen core performance measures:

<u>Exceeds Performance</u>	A performance result that is greater than 100% of a negotiated performance level
<u>Meets Performance</u>	A performance result that is between 80% and 100% of a negotiated performance level
<u>Fails Performance</u>	A performance result that is less than 80% of a negotiated performance level requiring a Corrective Action Plan

FAILURE TO MEET LOCAL PERFORMANCE LEVEL(S) YEAR 1

If an LWIA fails to meet one or more negotiated performance levels in a single program year based on annual performance outcomes, the LWIA:

- must submit a Corrective Action/Technical Assistance Plan using the form provided in this document.
- is precluded from receiving incentive awards for each measure in which performance outcomes were not met.

FAILURE TO MEET ONE OR MORE LOCAL PERFORMANCE LEVEL(S) 2 OR MORE YEARS

If an LWIA fails to meet one or more negotiated performance levels for the same performance measure(s) for a second consecutive program year, the LWIA:

- must submit a Corrective Action/Technical Assistance Plan using the form included in this document.
- is precluded from receiving incentive awards for each measure for the program years in which performance outcomes were not met.
- may have an imposed monetary reduction in WIA Title IB formula funds on the funding allocation for the program year immediately succeeding the two program years of failed performance. The monetary reduction will be based on the number of measures failed for two consecutive years within each WIA participant category (adult, dislocated worker, older youth, and younger youth).
- will receive further guidance recommendations from the Governor's Council on Workforce Policy at a later date regarding the specific funding reductions that will apply in cases of failed performance over two consecutive program years.

Funding withheld from LWIAs for performance failures will be held in abeyance by the Employment Administration/WIA. The funds will then be made available to all LWIAs for performance-related assistance identified through the Corrective Action/Technical Assistance process.

CORRECTIVE ACTION / TECHNICAL ASSISTANCE FORM

Complete (1) Form for Each Measure Failed

LWIA			
Contact Person		Telephone Number	
Title		Email Address	
Liaison			
Measure Failed			
Negotiated Performance	%	Actual Performance	%
Number of Years Failed		Date Submitted	

Please correspond with assigned WIA Field Operations Liaison to complete all of the following questions and information. Be specific and thorough in your responses.

- A. Identify each performance measure failed with a detailed evaluation and analysis of why the LWIA failed to meet 80% of the measure. Numerically identify each individual challenge and issue the LWIA faced in meeting this measure (i.e., 1, 2)
- B. Based on this evaluation and analysis, describe the corrective actions that will take place for each challenge listed as they directly relate to the ability to raise this performance measure. This can mean multiple steps for each challenge. Identify the timeline to complete each step.
- C. Identify how this measure will be monitored by the LWIA throughout the program year to ensure stronger results.
- D. If the LWIA also failed this measure in the previous two years identify why the previous Corrective Action Plan(s) were not successful.
- E. Explain how the latest Corrective Action Plan differs from previous efforts and how or why it will be more successful.

**CORRECTIVE ACTION / TECHNICAL ASSISTANCE
REQUEST FOR TECHNICAL ASSISTANCE (WITH OR WITHOUT FUNDING)**

Type	Assistance Provider	Explain how this directly relates to this measure's improvement	Goal	Funds Requested (If Applicable)
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -

A Local Workforce Investment Area (LWIA) may not receive more funding for the Corrective Action / Technical Assistance Plan than it would have been eligible through performance incentive awards for program year 2005.

Note: Technical assistance funds will not be provided for the following:

- ◆ Administrative costs
- ◆ Staff salaries or benefits
- ◆ Out-of-state travel
- ◆ Meals or refreshments
- ◆ Capital equipment purchases, including computers or other electronic office equipment

CORRECTIVE ACTION / TECHNICAL ASSISTANCE SIGNATURE PAGE

(One Signature Page will be used for LWIA submittal)

This Corrective Action / Technical Assistance Plan is submitted on behalf of the

Local Workforce Investment Area

This plan includes actions for the following Performance Measures:

_____ Name	_____ Signature	_____ Date
Local Workforce Investment Board Chair		

_____ Name	_____ Signature	_____ Date
WIA Program Director		

CORRECTIVE ACTION / TECHNICAL ASSISTANCE SUBMITTAL PROCESS

Due Date: February 5, 2007

Cut-off Time: 5:00 p.m.

Delivery Location & Number of Copies:

(2) Original Copies to

Department of Economic Security
Employment Administration – WIA
Attn: Mimi Hurtado
1789 West Jefferson, Site Code 920Z
Phoenix, Arizona 85007

(1) Electronic Copy

TO: MimiHurtado@azdes.gov
CC: lalston@azdes.gov

Process: Submittals will be reviewed when received. The LWIA Director will be notified if the submittal is accepted. If additional action enhancements are needed, the director will be contacted to discuss improvements.

ITEMS TO CONSIDER IN DEVELOPING A CORRECTIVE ACTION PLAN

- Improving the assessment methodology to ensure appropriate referrals to Intensive and Training services
- Training for staff and/or subcontractors through a combination of cross-training by strong performers and on-site visits elsewhere in your LWIA or other LWIAs
- Training on adult, dislocated worker, and youth performance management
- Training on job development and participant employment retention strategies
- Training on Workforce Investment Act (WIA) case management for adults, youth, or dislocated workers
- Streamlining customer service
- Improving local partnerships and expanding services in the One-Stop system
- Improving monitoring of subcontractors
- Training on the efficient day-to-day use of Virtual One-Stop (VOS)
- Training on VOS reporting capabilities
- Acquisition of updated labor market information tailored to local participant and employer needs
- Development of specialized outreach efforts to publicize the services available in the One-Stop Career Centers for all participant groups.
- Reorganization of the WIA staffing structure
- Services to assess the LWIA's procurement system
- Improving linkages with the business community
- Improving client follow-up services.